

By: Turner, Guillen, Geren, Sheffield, Burns

H.B. No. 850

A BILL TO BE ENTITLED

AN ACT

relating to an exemption from ad valorem taxation of a portion of the appraised value of certain real property used to provide housing to certain individuals with an intellectual disability or related conditions.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 11, Tax Code, is amended by adding Section 11.35 to read as follows:

Sec. 11.35. REAL PROPERTY USED TO PROVIDE HOUSING TO CERTAIN INDIVIDUALS WITH AN INTELLECTUAL DISABILITY. (a) In this section:

(1) "Group home" means a home or an establishment that:

(A) furnishes food, shelter, and treatment or services to four or more individuals unrelated to the owner of the facility;

(B) is primarily for the diagnosis, treatment, or rehabilitation of individuals with an intellectual disability or related conditions; and

(C) provides in a protected setting continuous evaluation, planning, 24-hour supervision, coordination, and integration of health or rehabilitative services to help each resident function at the resident's greatest ability.

(2) "Intermediate care facility for individuals with

1 an intellectual disability" means a facility described by Chapter  
2 252, Health and Safety Code.

3 (3) "Section 1915(c) waiver program" has the meaning  
4 assigned by Section 531.001, Government Code.

5 (b) A person is entitled to an exemption from taxation of a  
6 portion, expressed as a dollar amount, of the appraised value of  
7 real property that the person owns and that is used as:

8 (1) a group home operating under a Section 1915(c)  
9 waiver program; or

10 (2) an intermediate care facility for individuals with  
11 an intellectual disability if at least 95 percent of the residents  
12 of the facility are recipients of medical assistance under Chapter  
13 32, Human Resources Code.

14 (c) The amount of the exemption authorized under this  
15 section is an amount equal to the costs to maintain, operate, and  
16 make improvements to the property during the preceding 12-month  
17 period.

18 (d) An application for an exemption under this section must  
19 include an affidavit stating the costs incurred by the property  
20 owner in maintaining, operating, and making improvements to the  
21 property during the preceding 12-month period and include any  
22 relevant information or documentation required by the application  
23 form.

24 (e) The comptroller shall adopt rules for the  
25 administration of this section, including rules prescribing the  
26 form of an application for an exemption under this section and  
27 specifying the 12-month period for which the costs are used to

1 determine the amount of the exemption.

2       SECTION 2. Section 11.35, Tax Code, as added by this Act,  
3 applies only to an ad valorem tax year that begins on or after  
4 January 1, 2020.

5       SECTION 3. This Act takes effect January 1, 2018, but only  
6 if the constitutional amendment proposed by the 85th Legislature,  
7 Regular Session, 2017, authorizing the legislature to exempt from  
8 ad valorem taxation a portion of the market value of certain real  
9 property used to provide housing to certain individuals with an  
10 intellectual disability or related conditions is approved by the  
11 voters. If that amendment is not approved by the voters, this Act  
12 has no effect.